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ABSTRACT

The influence of entrepreneurship training and education on economic development is considered in four seminar papers. In "Profile of Hawaii's Economic Development Environment," Andrew J. Gerakas claims that there is no real thrust for growth in Hawaii. He mentions the importance of small business, venture capital and liberalized loan making. Samuel M. Slom's article, "Promoting Economic Development: A Business-Academic Imperative," considers the world business climate, attributes and skills of a successful entrepreneur, and entrepreneurial training. Secondary-school vocational education and some developments in Hawaii are considered by Frank Kanzaki in "Profile of Vocational Education in the DOE: Promoting Economic Development Through Entrepreneurship Education and Training." The following federal programs are briefly discussed: the Pre-Industrial Preparation Program, the Introduction to Vocations Program, and the Occupational Skills Program. In the final seminar paper, "Profile of Vocational Education in the Community Colleges," Joyce S. Tsunoda considers public, postsecondary vocational education and current and potential future developments relating to entrepreneurship. (SW)

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A SELECTION OF SPEECHES

From the Seminar

"PROMOTING ECONOMIC DEVELOPMENT THROUGH ENTREPRENEURSHIP TRAINING AND EDUCATION"

Ala Moana American Hotel
February 16-17, 1984

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Western Curriculum Coordination Center
Department of Curriculum and Instruction
College of Education
University of Hawaii at Manoa

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"PROFILE OF HAWAII'S ECONOMIC DEVELOPMENT ENVIRONMENT"

by Andrew Gerakas
Economic Development Division Head
Department of Planning and Economic Development
State of Hawaii

Entrepreneurship Education and Training Seminar
February 16-17, 1984
Ala Moana Americana Hotel
Honolulu, Hawaii

If I were an entrepreneur and was interested in investing in Hawaii, I would ask myself the question, how fast will Hawaii grow? The answer would be moderately. There are no real thrusts for growth in Hawaii today. Federal expenditures total about some $5 billion, tourism about $4 billion, and manufacturing has been down and now totals some $1.6 billion. There is no life in construction, which is around about $1.3 billion. Sugar at $390 million and pineapple at a $175 million have a long term downward trend. Diversified agriculture, on which we place a lot of emphasis, is around $220 million. There is very little employment that comes out of diversified agriculture. What we are emphasizing here is more of a way of life rather than a major economic contribution. If we take sugar, pineapple, manufacturing, diversified agriculture and construction and total them together, they do not equal tourism.

Federal expenditures make up 40% of the total of all of these expenditures that I mentioned and these are our basic economic activities, so to speak, in our community. Thank God for Uncle Sam.

And now we have a mania with tourism in our community. We count bodies. In yesterday's evening paper, in yesterday's morning paper, we came out with the latest count of bodies. And we look at ourselves and we applaud ourselves when we have had a certain percentage increase in tourists. Tourism, from our point of view, we're all very friendly to tourists - some

of our mainland guests have already alluded to the aloha spirit - but they are economic units. And today we need more of those economic units to spend as much as in the past. With airfare competition we find lower stratas of the economic ladder being exploited in terms of coming to Hawaii. We also have people from Los Angeles there that come here for a weekend because it's cheap enough to do it. "Let's go to Hawaii for a weekend." The tourists on a per unit basis are spending less. There are more and more staying in condos instead of hotels. They're eating at fast food restaurants instead of the hotel restaurants. The hotel people wonder, when they see the numbers and they see their occupancy rates. The visitor rates or visitor numbers are up and their occupancy rates are not keeping up. The gift and clothing manufacturers here wonder why all these numbers of people that they read about in the newspapers are not buying more of their products. And so tourism is important to us. But we're coming into the era of mass market tourism where airlines like United Airlines spend $12 million a year bringing these tourists in and filling seats. We're more interested in what they do when they come here from an economic point of view. So this industry is changing. If I were an entrepreneur I would look at it very, very carefully in terms of how I would relate my business to tourism so that what I am selling is a product or service that relates to the changing trends in this industry. Don't get me wrong. I'm not downgrading tourism. It's very, very important to our economy. In fact, tourists spend more on the clothing in Hawaii than normal residents do. There are 4 million tourists and they spend about $330 million on clothing. Local residents only spend about $260 million. So they are important. But it's changing and it's getting to be a low cost type of activity.

Now, more important than the economy, more important than all these

figures that we keep getting from the Bank of Hawaii, First Hawaiian Bank, and our own Department of Planning and Economic Development, is community desire for development. As a young man back in the 50's when I was working for Territorial Planning Coordination Authority, I wondered how Phoenix, Arizona was able to grow in the middle of the desert and I wondered why that community was so successful. They had a strong business leadership, they had a community that was put together (they went out and developed their community). So, community desire, community leadership and community organization are much more important than all the dollars and figures we can talk about because these characteristics will make us grow. I'll give you an example on leadership. About 15 years ago I got the idea, "Hey, why not invite business editors of our major national publications to come to Hawaii and write about us. We'll get all this free publicity and it's worth a lot more than paying a lot of advertising dollars." So we put together a meeting of some of our top executives in the community and Malcolm MacNaughton who was then president of Castle and Cooke said, "Don't worry, Andy. I'll take care of the business community." He did. He went out and raised money from this company and that and he put the pot together; and, together with the state money we had enough to bring these people over and to take care of them here. This project has been going on every other year since then. Let me ask you a question. Where is the chief executive officer of Castle and Cooke now? Not in Hawaii. San Francisco. Where's the chief executive officer of American Factors, their $2 billion corporation? Not in Hawaii. In San Francisco. Where's the chief executive officer of Dillingham Corporation? Not in Hawaii. Theo Davies, one of our so called big five of the past, is now owned by Jardine Matheson of Hong Kong. C. Brewer, one of the big five of the past - remember we used to have the mania about the big five all the

time - it's owned by International Utilities out of Philadelphia. Only Alexander and Baldwin still has its corporate offices here and its chief executive officer here. And, by the way, although Alexander and Baldwin is far behind the leaders in total revenues it is a leader when it comes to the bottom line. Its profit is much greater than those with larger total revenue numbers. And maybe we should look at tourism in that way, too. What's important is what the bottom line is, not all this body count. It reminds me of Vietnam when we used to say that we've killed so many of the enemy all the time. It's not the bodies that are important but the bottom line. So top executive leadership is leaving.

Some of our best young people are leaving. I did a survey of electrical engineers who graduated from the University of Hawaii about two years ago. In those days in the Silicon Valley they were paying about three thousand dollars bounty for each engineer. At one point I thought maybe I should resign my job and sell them about sixty engineers from the University of Hawaii - I'd do pretty well. I sent out about 105 to 110 questionnares to electrical engineering graduates now living on the mainland. A lot of them had moved so some came back but I got a response from something like 67. 65 of those 67 said if you could only find me a job back in Hawaii I'd be happy to come back and work in my field. So we're exporting a lot of our brains, a lot of our young people to the mainland. We're educating them here in a very fine university, then they have to go away.

We also have had in recent years what I would call a controlled growth mentality. You know we talk about community desire. What was happening was that these large numbers of visitors were coming in hordes - on a 15-20% annual compounded basis. We said, "Hold it now, we're going to get indundated." So we said, "Hey, we've got to control this because, you know, we have this

finite land mass, we've got this beautiful pearl we call Hawaii. Let's not spoil it." And so we got to the point where we were saying, "Let's control this thing, let's be selective." The demand was there and so we fitted into that.

As our needs change, so must government. We're now entering, as I think one of our speakers already said, the era of small business. We are recognizing and beginning to recognize nationally and in Hawaii the importance of the small business man to the economy. 99.7% of the businesses in Hawaii can be termed small by most federal standards. 95% of all the businesses in Hawaii have less than 50 people. Most new jobs in our community in Hawaii are created by expanding small business. Not by all these big ones that we talk about and get all the headlines such as the high technology potential and so forth. At most, a very small portion are created by new businesses coming from overseas. Our local small businesses are the ones that are creating the jobs. The costs of doing small business in Hawaii are high. We've got high employment compensation, we've got high workman's compensation, we have a multi-tiered tax structure so that your tax at the manufacturing level gets taxed again at the wholesale level and gets taxed again at the retail level that by the time you've got your product on the market you're in a tough price competitive basis with overseas products. We are beginning to recognize the importance of small business and the Legislature and others are beginning to recognize this.

The most important thing in business is management, we call it entrepreneurship. Remember in your basic economic course - maybe you can think back - to the basic course you never wanted to go to, where the professor said that the basic elements for economic activity are land, labor, capital and the entrepreneur. He's the manager, the most important guy in business.

Because he's the guy who puts it all together. Another very important thing in business is financing; that's extremely important here in Hawaii because the banks are not liberal. If you've got a piece of real estate to put up, they'll give you a loan. But if you're a new guy coming in and you don't have much to show, it's very, very difficult to get a loan. So we need to have more creative financing for business and we need venture capital. We talk a lot about that now. In the old days we used to call it risk capital. Venture capital - that's what built Silicon Valley. A unique American way of stimulating healthy business to grow. But you know, today we have high interest rates so an investor looks around. He would much rather put his money, in most cases, in money market certificates than put it into business. He'll make more money that way. There's really more logic in doing it that way. The percent return is greater in the money market arena so that the venture capitalist looks for a business that will multiply several times. He's looking for doubling, tripling, and quadrupling his money. Some of those people have made veritable fortunes over a five year period by investing in the right companies and they also give them managerial assistance. They keep a good strong eye on them, they get on their board of directors, and they more or less assure that their investment is going to come out, or they try to do that. Now in our own state government, we have a loan program and it was created because of this problem of getting loans in the normal channels from banks and other financial institutions. Our own program is fairly liberal. We charge only 7½% interest, our maximum now is $100,000 but there's a bill in legislature bringing it up to $250,000 and we support that bill. And you know even with that low interest there, some businesses can't carry that kind of debt. Small business sometimes needs the so called venture capital and we're trying to help them in this regard. We've got $4 million of loans on

the books right now and as a result of this - we just surveyed our loan recipients - we find that we've created about 2,600 jobs, direct jobs; and 49% of the people who got our loans said, "Your loan was responsible for helping my business survive."

Now you talk about entrepreneurs and training entrepreneurs. The heart of the business, other than management, is the financing package and the continuing financing that these companies need to expand and so forth.

Another thing that we do at our department is assist in product promotion. We are a community that's 2,500 miles away from our nearest market and obviously a lot of our small manufacturers are going to have a difficult time. After they grow enough to meet the resident demand and the tourist demand where do they go? You've got to go overseas. A lot of them don't know much about going about this, so we help them. We help them in trade shows, we go and we talk to department stores, we do full-fledged two week Hawaii promotions where they buy our products; and, that particular kind of activity and in supermarket chains and in shopping centers has created about 3,000 jobs since its inception. And, according to the companies that we surveyed, established or created 600 additional market segments for our people here. You know you get a local person, he goes over to the mainland and he doesn't know how to find a representative - he can hardly find, if he's in a strange city, his way to the hotel, so he needs the help we can give him because we go as a group. We've also financed a garment industry training school. Primarily we train a lot of our immigrants of the female type. They'll go to this school and get decent jobs instead of many of them going on the welfare payroll. We've financed industrial engineering of garment manufacturing companies that have improved their productivity as much as forty and fifty percent.

There are lots of opportunities for small business and I could go through

a litany here but I won't. I have them down here but I'm not going to because it's not important to us at this point. Not everyone is suited to be an entrepreneur. It takes a unique person to be an entrepreneur. And you know, I've been watching them going in and out of business for the last 29 years. Sometimes, out of the goodness of our hearts, we want to make entrepreneurs of people who are not suited to be managers. I see this in the minority business area here sometimes - "Well, okay, you've got to be like everybody else." They take a person who is nowhere suited to be his own boss, his own businessman, and try to make an independent businessman out of him. Some of us are meant to work for government. Some of us are meant to be teachers and whatever. Not everybody is going to be an entrepreneur. You have to be very careful. If we get on this sleighride of entrepreneurship, training can cause harm. These people are unique. I suppose I can give you a little bit of a description. One thing, he's spiritually independent, he doesn't want to work for others. Another think, he's very persevering, very courageous. He doesn't let things phase him because when you're in business, you're going to be on the ropes so many times and you've got to come through those periods. He's got to be intelligent. Let me tell you something about enterpreneurs. Most of them have a basic talent, but they lack other talents. Some of them are good salesmen, they're good promoters, they can sell you anything, they'll go out of their way, but business back home is suffering. It's not being operated efficiently. And the smart ones realize where their talents are and where they have to balance those talents. Sometimes there's a good husband and wife team. We've got one here in Hawaii in Intellect, Inc. which is our fastest growing high technology company. The wife runs the business and the husband is actually one of the world's great salesmen. He's selling airport control systems in Central America, South America and Korea and all over the world.

It's a good balance. We've got the same situation in the garment industry. We observe that some are good production managers. They should stay home. The other guy should go out and sell. Some of them are good at managing books. Managing of finances is always an important thing. You could have a very successful guy that's selling an awful lot and losing money. So when you teach this entrepreneurship, you have to also teach the fact that these people have to be balanced in their approach and it's good to recognize that we have certain talents and we also have limits. As long as we bring others in to balance those talents, all of them, we will have a potentially successful management. So a good entrepreneur knows his strengths and weaknesses and a good entrepreneur who is wise also observes those who are successful and listens to those who give good advice.

In summary, as far as we can see today, and we can change our minds, there is no real thrust for growth in Hawaii. When things change and growth moderates, we need aggressive community leadership to grow. We need to change our philosophy of growth to meet our needs. We need venture capital and liberalized loan making. We need more aggressive sales of our products overseas. And we know now, that small business is really the key nationally and even more important, the key in Hawaii because small business is more important here than even nationally. So I congratulate those who put on this conference. And if we at the Department of Planning and Economic Development and our various programs can help you, we'd be happy to do it.

" PROMOTING ECONOMIC DEVELOPMENT:
A BUSINESS - ACADEMIC IMPERATIVE "

by Samuel M. Slom
Executive Director,
Small Business Hawaii
and
Assistant Professor
Hawaii Pacific College

Entrepreneurship Education and Training Seminar, February 16, 1984
Ala Moana Americana Hotel, Honolulu, Hawaii.

Aloha, and thank you for the opportunity and privilege to be part of your fine program this afternoon. I am well aware of the extensive arrangements and planning that went into this seminar and the sponsors and cooperating organizations are to be commended for their efforts. Cooperation is really the key to successfully solving the problems that serve as barriers to meaningful economic development.

From my introduction you know that I have been fortunate enough to have gained experience in a number of different endeavors and that I, like most people who live here, wear a number of different coconut hats. I was always told that ,"those that can, do, and those that can't, teach" , but recently I heard, "those that can do neither, consult!" Well, currently, I can, I do, I teach and I consult, so I've got all the bases covered. My attitude has always been that the more tools you have the better prepared you will be for any situation, and nowhere is that more necessary than in business today.

So, this afternoon, I would like to talk with you and share a few ideas and opinions about the real world entrepreneur and what is needed in the academic community to enhance not only his or her survival rate, but more importantly, to promote and sustain economic development. To do this, I would like to outline the following:

1. THE REAL WORLD BUSINESS CLIMATE TODAY
2. PERSONAL ATTRIBUTES OF A SUCCESSFUL ENTREPRENEUR
3. WHAT SKILLS AND RESOURCES ARE REQUIRED
4. HOW DO WE GET FROM HERE TO THERE?

The real world business climate today can be summed up in a single word: dynamic. That is, dynamic in the economic sense, the reciprocal of static. The business climate enforces change as the rule, not the exception.

A great many people, in and out of business, do not realize that major changes have taken place and will continue to take place, necessitating new tools and informational delivery systems. In a way, it is not unlike looking at a star; you must factor in time and speed while trying to comprehend that the light you are gazing at is not really at the location it appears. In business, too many people gaze at business practices and businesses themselves as they were, not as they are; in education, many educators instruct as they think things are or as they believe they should be. What is needed is a strong dose of experience, and a careful reading and understanding of "MegaTrends".

The business climate, even in beautiful Hawaii, is much different from the climatic or environmental climate. We can have sun in the morning, a blizzard in the afternoon and Chapter 13 by nightfall. But the business climate is not something abstract and uncontrolable. On the contrary, the determination of a positive or negative business climate is made by individuals and government, and can, and often is, changed periodically. Education is a basic prerequisite that will help determine the sign of the business climate and appropriate training is essential if change is desirable or necessary. The business climate is neither hostile nor gregarious per se, but it can be unforgiving to the ill-prepared.

In the past, in an ever-expanding economy marked by higher growth and productivity rates, success and profitability were often taken for granted. Many people who succeeded in business---at least when measured by material terms---could find that their returns often exceeded their sweat quotient because such is the nature of a society not bothered by scarcity of resources, energy crises, or excessive regulatory , tax and debt burdens. But that climate is long gone in our nation and in our community locally. Some people ascribe their measure of success to "luck", but most of us have found that the harder we work and the more prepared we are, the luckier we seem to be. In today's ever changing business climate, hard work and preparation must be the starting point in considering business as a career option.

As important as the climate for doing business appears to be, however, it is of secondary importance to the individual entrepreneurs who by their skills and training can overcome almost any obstacle. Often overlooked, are the personal attributes that an individual must possess if any type of education and training are to prove beneficial.

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Each person is unique but experience has shown that there are certain common characteristics and skills that are essential for someone who is desirous of being his or her own boss. Good physical and mental health may be taken for granted but are basic to business success. Few people who have not been in business by themselves really appreciate the stamina required to deal with the day-to-day stress and pressures that total responsibility confer. Without this personal infrastructure, everything else becomes much more difficult and no amount of training or education can substitute for it.

A high level of self confidence is also a must. A person must be able to honestly examine assests and liabilities, and come up with the knowledge that the former outweighs the latter. Confidence is developed, again through experiences encountered all through life, through each of life's hurdles. At times it may appear that there is a thin line between confidence and over-confidence but the tradeoff between personal ability and risk is a vital character trait.

The idea of risk taking is important also. The society is basically divided into two broad groups: risk takers and risk avoiders. The risk avoiders are in the majority. They are the people who want the rewards and benefits without giving up their security. Yet they are the first to tell the risk taker she probably can't succeed, and if she does, that she has an obligation to share with them. The risk taker is the true entrepreneur, the individual that is willing to assume responsibilities and make decisions and, most importantly, to live with the results of those decisions, whether the result is as planned or not quite up to that mark. People not willing to take a calculated risk cannot succeed. Low expectations always breed low results. It sounds easy and basic but it is an important quality that many people are unwilling to develop.

Another important personal attribute is the individual's desire to manage and to lead. This individual wants to make things happen and enthusiastically takes control of every event. While we often use management and leadership interchangeably, they are very different and both are important. Management refers to the control of systems, structures, equipment and records. Leadership, on the other hand, refers to inspiring other people to do things. Today, leadership is one of our scarcest resources. Contrary to popular belief, it can not be mass taught; it evolves as a consequence of the sum total of a person's other personal attributes and attitude.

Attitude itself of course is a key to everything a person does. Motivation, initiative, that gutsy stick-to-itiveness, come from a personal attitude. With a positive attitude nearly everything is possible, without it, almost nothing can succeed.

Finally, the entrepreneur must have an active, inquisitive and open mind. Because of the rapid changes taking place, because of the flexibility that is required for success, a person must honestly be able to say they have the tolerance for other ideas, concepts and situations that they might be predisposed to initially feel uncomforable with.

There are other personal attributes that could be listed and defined. The point is, that a person must have these minimal personal qualities; they form the nucleus of the real path to business success. And if an individual is deficient in too many of these areas, it might be much more worthwhile to consider other career or vocational options.

That brings me to consideration of skills and resources that can be academically added in order to enhance and suppliment an individual's personal character traits. As I mentioned at the outset, I believe that education is a prerequisite for determining the form and substance of the business climate, and because I believe that individuals can and do influence that climate, it is imperative that relevant and useful education is a continuing part of every entrepreneur's life. But that education must be a quality product that meets the demands of a person seeking or expanding a business career. Many of my academic colleagues cringe when I remind them that education, too, is a business; it produces a product (service) and must compete in the market place---unless the government has pre-empted that competition (in which case the product and the consumer both suffer)---and must be flexible and change to meet new needs.

Successful entrepreneurial education is a marriage between the best in the pragmatic arena of the business environment and the new ideas that can spring from free inquiry in the academic world. We know we have succeeded when we, and the entrepreneur, both know that the pragmatism and the ideas are in reality both essential parts of the same world. Sometimes, educators in their zeal to educate, have been known not to listen to market talk, while some business-oriented persons have concluded that ideas that originate only with them are worthwhile. It is time we both do more listening to each other and then turn the ideas into actions.

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Another thought is this: entrepreneurial training is not for everyone and it is the responsibility of the educational community to point that out. Entrepreneurs do not come from assembly lines and often people that appear to be attracted to the rigors of business ownership are the very people that should be made aware of the extent of involvement necessary, and difficulty, they might have based on their own honest appraisal and evaluation of their personal attributes. While educators should not needlessly discourage any individual, of equal importance is honesty in assessing a person's attitude for what lies ahead. It is a valuable contribution that can be made by the academic community and it will result in a greater respect in the business community.

All of these random thoughts and words are fine, but where do we go from here? More importantly, how do we get to a situation where we can provide the academic adhesive that will promote business success andas a consequence, economic development? We know the answer is cooperation. But it is innovation too.

Sessions like this are valuable as starting points, in bringing together the different segments of our community. But we need to plan, specifically, for short, intermediate and long term results. Our objective must be to provide more risk-takers with more tools for entrepreneurial success. We need to sit down together and inventory what is being done and what should be done---just because something was done a certain way for a long time is no guarantee that it is still applicable. "Tradition" was important to Tevia in "Fiddler on the Roof", but the bottom line was, he and his family still lost their home and community. We live in a free society---which too many of us take for granted---and so we are blessed with the opportunities to make almost unlimited choices.

We must emphasize the fact that education will adjust to people, as individuals, and not adjust to the structure as we perceive it or as it actually is. We must be bold, imaginative and confident in proposing workable concepts. Hawaii Pacific College, for example, has spent a great deal of time and effort dealing with this idea. Dr. Lipkind will outline in detail a multi-pronged approach that will blend the best in academic support with the workplace. This is only possible because the College chose to grow up within the business community and to respond to needs before they became problems. Other private and some public institutions are displaying a willingness to move boldly as well.

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And for their part, businesses and business associations, like the Chamber of Commerce and Small Business Hawaii, have always placed maior emphasis on the role of education for their members and prospective members. It is a natural and positive partnership that will place us all much closer together.

One of the most popular movies of the last few months was, "The Right Stuff", the story of America's space program. More accurately, it is the heroic saga of individuals who faced tremendous barriers in assuming the role of 20th Century space pioneer. Each man accepted the hardships, the frustration and disappointments, that went along with the ultimate successes of the program. Each knew his personal limitations as well as his abilities. Challenged to excell, any individual will find his abilities expanding. The society as a whole will be the beneficiary.

Entrepreneurial education can be that "right stuff" for the years ahead in our community, and in our nation. We can not only help individuals to get started in business---that's really the easy part---but we can help them survive, and most importantly, to prosper. Each of us has an opportunity to to contribute to this pioneering effort, each of us can add something unique.

I am reminded of the words of Edward Everett Hale who said,

" I AM ONLY ONE,
BUT STILL I AM ONE.
I CANNOT DO EVERYTHING,
BUT STILL I CAN DO SOMETHING;
AND BECAUSE I CANNOT DO EVERYTHING
I WILL NOT REFUSE TO DO THE SOMETHING THAT I CAN DO. "

Thank you, very much, and best of luck with the rest of the conference.

Profile of Vocational Education in the DOE

Promoting Economic Development Through
Entrepreneurship Education and Training
Feb. 16-17, 1984 at Ala Moana Americana Hotel

Mr. Chairman, honored guests, friends and fellow participants of the Entrepreneurship Education and Training Conference. I've been asked to present a brief profile of Vocational Education in the Department of Education.

Arnold Glasow said, "Happy is the person who knows what to remember of the past, what to enjoy in the present, and what to plan for the future." Perhaps we need to examine the historical rationale of Vocational Education in order that we can understand and appreciate the present program.

Historical Rationale

Vocational Program Before 1969

Until 1969, Vocational Education in the public high schools of Hawaii consisted of Vocational Agriculture and Vocational Business Education programs. The Trades and Industry program was offered only at the Technical Schools (post-high) administered by the DOE until 1955. Subsequently these schools were converted into Community Colleges under the administration of the University of Hawaii. The State Board for Vocational Education was also moved from the DOE to the University of Hawaii. The Board of Regents of the University of Hawaii also became the State Board for Vocational Education (Chapter 305A HRS). In order to fully appreciate and understand the present Restructured Vocational-Technical Education Program, we must realize the conditions and circumstances in which the program was developed and implemented. The political and educational climate in the Sixties was a period for reform. The following is a brief description of that period.

Period of Transition for Vocational Education

Vocational Education in the public secondary schools of Hawaii during the Sixties was on the verge of being eliminated. The political and educational climate during that

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period was to develop the full intellectual potential of all students so that they can continue education for life. The contention was that anyone can be taught anything if the subject matter was taught at the level of the learner and that the "basic skills" was the vehicle toward this end. Consequently the major emphasis of public education was the "basic skills." Any program that did not contribute toward this goal was in jeopardy.

Although some of the Legislative and Board of Education members had some serious doubts on the continuation of Vocational Education in the public schools, the general public was in strong support of Vocational Education Program as reported in Project Speak Up, A Report and Evaluation, DOE, 6/19/66.

The Sixties was indeed a period of trial and tribulation for Vocational Education in the public schools of Hawaii. However, this gave the very substance and foundation it needed to continue and improve Vocational Education Program.

The movement for reform was self evident, especially for Vocational Education. In 1969 the DOE was mandated by the Legislature to revise/restructure all subject areas including Vocational Education. Based on the information presented and the political and educational climate of the Sixties, the present Restructured Vocational-Technical Education Program was developed and implemented. The following is a brief description of the present program which was approved and commended by the U.S. Department of Education (formerly HEW) in June, 1971.

The Restructured Vocational-Technical Education Program

1. The Pre-Industrial Preparation Program (PIP) focuses on the improvement of basic verbal, mathematical and scientific skills through correlating them with concrete occupational experiences. This program is for the under-achieving, disadvantaged students. It is programmed to motivate and help these students to see the importance and usefulness of academic skills for performing job tasks.

2. The Introduction to Vocations Program (IV) is guidance oriented and includes knowledge about possible career opportunities as well as experiences in the various

clusters of occupations. This program appeals to students with varying abilities, interests, and aptitudes as opposed to any one level of ability. In other words, a student with a scientific aptitude may pursue his interests in a highly technical field of work while another who likes to work with people may explore the opportunities in the distributive or food service occupations.

3. The Occupational Skills Program (OS) is designed to develop specific job skills and is for the handicapped students enrolled in the high schools. The special education teacher and the occupationally competent instructor will work together to help these students become employable.

The courses of study in the PIP, IV and OS programs are available to an individual in eight families of occupations. These are:

(1) Agriculture Occupations
(2) Office Occupations
(3) Distributive Occupations
(4) Home Economics Occupations
(5) Electrical/Electronics Occupations
(6) Mechanical Occupations
(7) Construction/Civil Technology Occupations
(8) Technical Graphics Occupations

This in essence gives the historical rationale of the Vocational Education in the DOE.

The mission of the secondary Vocational-Technical Education program is to develop pupils who have basic academic and occupational skills and knowledge which would enable them to meet entrance requirements for a post-secondary occupational program of their choice and/or to qualify for entry level positions in one or more families of occupations.

Scope of Vocational-Technical Education

The present program is designed for secondary students in grades 10-12. The program of studies in 38 comprehensive high schools and 1 special school range from 4 to 21 course

offerings. The total enrollment in the three components for SY 1982-33 was PIP program = 2,075, IV program = 17,158 and OS program = 2,347 or a gross total of 21,580.

In addition to these three instructional programs other programs and co-curricular activities include:

1. Cooperative Vocational Education Program - SY 1982-83 = 961 students
2. Workstudy Program - SY 1982-83 = 212 students
3. Voc-Tech Youth Organizations
   a) DECA = 305 students
   b) FFA = 656 students
   c) FHA = 397 students

In view of the expressed concerns in the various national studies on education and the DOE major documents, we need to continue to improve the quality of Vocational-Technical Education to all students who need and can benefit from it.

In closing I would like to say that:

The sixties was a period of reform, the seventies the period of implementation and the eighties a period of improving the quality of vocational education in the public shcools of Hawaii.

ENTREPRENEURSHIP EDUCATION CONFERENCE
Ala Moana Hotel
February 16-17, 1984

Joyce S. Tsunoda

In 1981, George Chaplin, editor in chief of the Honolulu Advertiser, wrote an article entitled Community Colleges' Role in the Isles' Future. He began his article with this comment:

> Among the general public, the seven community colleges in Hawaii are probably the least understood and least appreciated component of our entire public education system--and yet they are potentially the most exciting.

In presenting my profile of public, post-secondary vocational education this morning, I would like to perhaps broaden your understanding of the role and scope of vocational education in our community colleges; and, to share with you the exciting present and potential developments in our future, as these relate to entrepreneurship.

Simply stated, the mission of our community colleges is to meet the needs of our adult, post-secondary population for quality liberal arts/transfer education, vocational-technical education and general education.

Although our mission is clear, several misconceptions seem to persist. First, the misconception that community colleges are a minor part of the University of Hawaii system. We have grown into a system of six community colleges, four on Oahu and one on each of the islands of Kauai and Maui. In addition we offer short-term, open-entry, open-exit courses and job training programs through the Employment Training Office. There is also a seventh community college which is part of the University of Hawaii Hilo, serving the needs of the big island.

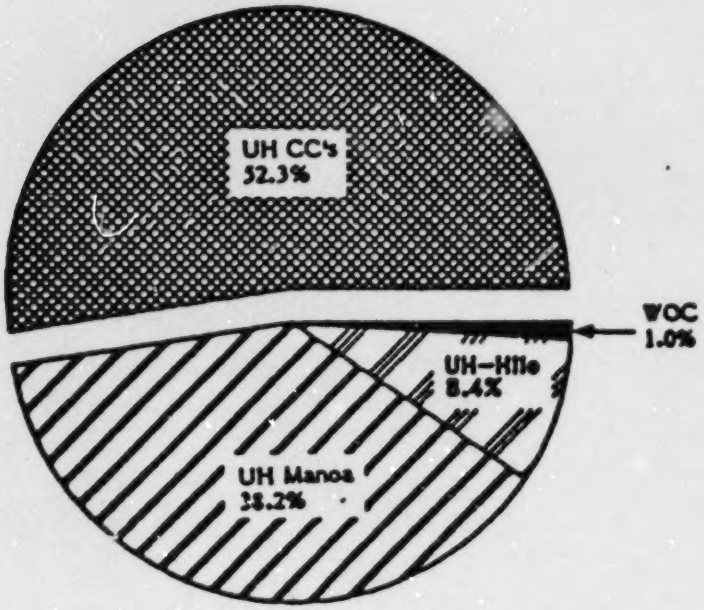
(insert transparency 1 Univ. Undergraduate Enrollment by Unit)

When you look at the total university enrollment pattern you see that 21,237 or 52% of the 40,594 students currently in undergraduate education within the University of Hawaii are enrolled in our community colleges.

(insert transparency 2 Univ. Lower Divsion Enrollment Liberal Arts)

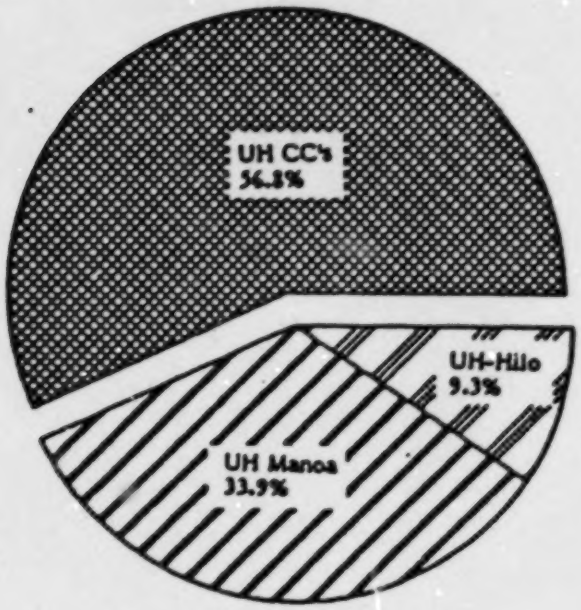
More interestingly, in the liberal arts area, where we share a common mission with manoa, hilo and west oahu the community colleges again deliver more lower division education than all the other three units combined. As this graph indicates, 56.8% of all students enrolled in lower division, liberal arts courses throughout the university were enrolled in our six community colleges.

University Undergraduate Enrollment by Unit



	N	%
Community Colleges	21,237	52
UH-Manoa	15,503	38
UH-Hilo	3,430	8
West Oahu	424	1
TOTAL	40,594	100%

University Lower Division Enrollment
Arts & Sciences/
General & Pre-Professional by Unit



	N	%
Comminity Colleges	8,692	57
UH-Manoa	5,181	34
UH-Hilo	1,428	9
West Oahu	—	—
TOTAL	15,301	100%

Another misconception is that community colleges are primarily junior colleges designed to prepare students to transfer to four year colleges or universities.

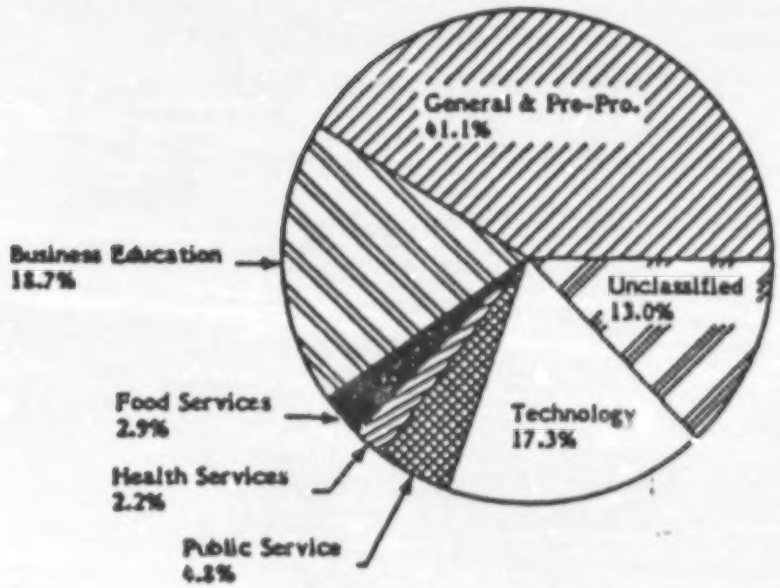
(insert transparency 3 Total CC Enrollment by Program Area)

This year 41% of our students are in general and pre-professional transfer programs (i.e., liberal arts), 46% are enrolled in vocational-technical programs, and 13% are unclassified students. Not only are the majority of our classified students enrolled in vocational-technical education, they are the most successful in terms of program completion.

(insert transparency 4 Degrees Awarded)

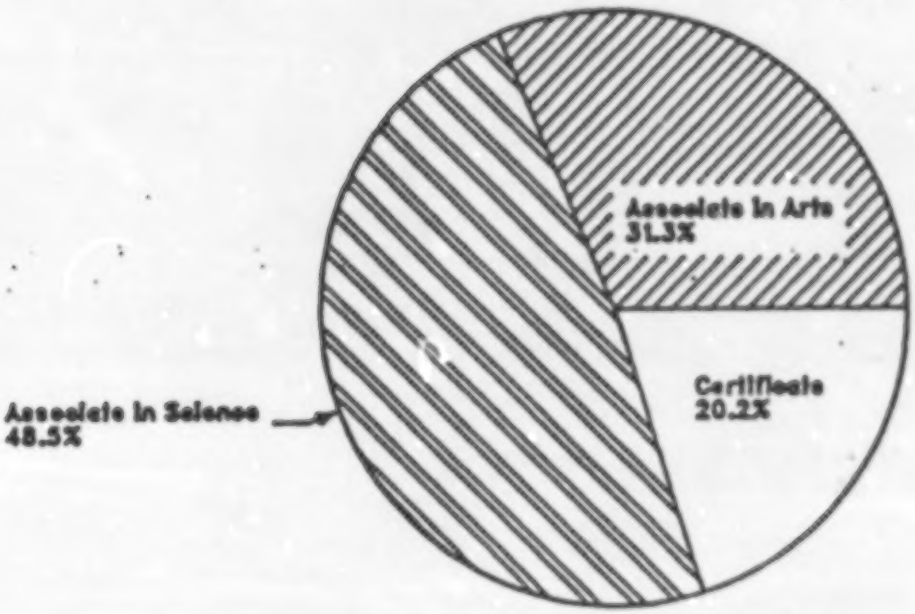
As you can see 48.5% of the degrees awarded are Associate in Science Degrees, marking successful completion of a full two year vocational-technical program. Another 20.2% of the degrees were vocational-technical certificates, indicating successful completion of a shorter program of courses leading to entry level employment or the upgrading of job skills. Thus 68.7% of all degrees and certificates awarded by our community colleges are awarded to vocational-technical students.

Total Community College Enrollment by Program Area



	N	%
General & Pre-Professional	8,692	41
Business Education	3,948	19
Food Services	621	3
Health Services	456	2
Public Services	1,025	5
Technology	3,667	17
Unclassified	2,753	13
TOTAL	21,237	100%

Degrees Awarded



	N	%
Associate in Arts	787	31
Associate in Science	1,221	49
Certificates	509	20

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The vocational-technical education in our six community colleges currently provides 64 Certificate of Completion programs, 90 Certificate of Achievement programs and 100 Associate in Science programs.

I can proudly state that **VOCATIONAL-TECHNICAL EDUCATION IS INDEED THE HEART OF COMMUNITY COLLEGE EDUCATION**; and with almost 10,000 students enrolled in our programs **COMMUNITY COLLEGES ARE THE HEART OF VOCATIONAL-TECHNICAL EDUCATION IN HAWAII.**

We, in the community colleges, view vocational-technical education as more than simply skills training. To emphasize my next point, I would like to share with you a recent personal experience. About three weeks ago, at the United Airlines Red Carpet Room in San Francisco, I had the pleasure of talking with the chief executive of a very successful local business firm. As we were discussing rapid changes in his industry, the conversation turned to what his company looks for in hiring of technicians and semi-professional workers. He said that in his opinion the really basic vocational skills don't really change over the years. What his firm expects in potential employees is the ability to use their minds as well as their hands. In addition to a sound foundation in reading, writing and mathematics, their employees must be able to listen, to follow instructions and, most important, conceptualize. Granted his firm desires employees who have acquired some special area technical skills, but it is even more important that <u>they have learned how to learn.</u>

I saw this very point further underscored in a report of our State Commission on Manpower and Full Employment called, "Electronics Industry, a Technological Impact." That study pointed out that firms, particularly those in small business tend to emphasize the need for trainable rather than trained personnel. They believe the primary mission of education should be to impart a knowledge base sufficiently large to support the transference of skills to a wide range of work settings.

We, in the community colleges are in agreement with these leaders of business and industry. We believe vocational-technical education requires sound basic skills and a broad general education background coupled with well-developed vocational skills. Most important, vocational-technical education also requires the development of positive attitudes and work habits needed for survival in the world of work.

The responsibility for delivering effective vocational-technical education then is the responsibility of our entire instructional and counseling staff. All student learning experiences, whether they occur in the vocational shop, the general education classroom or in the counselor's office, must be geared to learning how to think, problem solve and adapt previous learning to new experiences.

Entrepreneurship is an important and expanding component of our total vocational-technical education program. Our six community colleges offer degrees and certificates in Sales and Marketing and Finance and in Supervisory Management. In addition, the colleges offer 42 courses designed to build or upgrade entrepreneurship skills and understandings. At the moment, one of our colleges is exploring the possibility of adding a small business component to each of its vocational-technical programs. It is our philosophy that vocational-technical education should develop skills and instill attitudes which will enable each and every student to become an entrepreneur.

Forecasts of technological developments and their potential impact on vocational education beseige us daily. Hawaii is said to be shifting from a large but limited agricultural base to one of more diversified agriculture. Large construction projects are being replaced by a construction industry geared to smaller renovation and replacement projects. The microprocessor is moving into every segment of business and industry, thus requiring even more sophisticated levels of learning and job performance.

We are entering an age when technology will provide the entrepreneur and manager with tools for analysis and forecasting never before dreamed of.

I believe that we are moving into an era which will require new directions and greater flexibility in our vocational programs. We must move beyond our programs designed primarily to provide entry-level skills, if we are to meet rapidly changing employment needs. We intend to do this.

We must move towards providing basic vocational skills and general education supplemented by a wide variety of options in short term, focused, technical courses. We must develop the ability to quickly generate these short term courses and offer them in such a way as to rapidly train, upgrade or retrain workers for an every changing labor market. We intend to follow through.

Lastly, just as we are moving into a new age of technology, so too are we moving into a new age of partnerships in vocational education. Throughout the nation we see emerging trends of business, industry and education cooperate in vocational education. We are witnessing projects jointly planned, financed and delivered by the community colleges, business and industry. We need to move vigorously in this direction in Hawaii.

As we move toward the twenty-first century, I call upon you, leaders of both industry and education to join with us in the community colleges in forging new directions and greater achievements for vocational education in Hawaii.

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